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Kentucky Agricultural Development Board Releases First Comprehensive Plan, Announces Hiring of Chief Operating Officer

(Frankfort) - The Kentucky Agricultural Development Board, chaired by Governor Paul E. Patton, today approved and released its first comprehensive agricultural development plan. The Board was created earlier this year with the passage of House Bill 611 to oversee the \$180 million Agricultural Development Fund created with half of Kentucky's revenue from the tobacco settlement.

The plan is entitled "Kentucky's Near-Term Comprehensive Plan for Agricultural Development," and is intended to offer guidance in the initial round of investments made by the Board and the County Agricultural Development Councils established by HB 611. The Board approved an initial draft of the plan in its December 1 meeting, and approved the final draft during their meeting today in Frankfort.

The plan offers an overview of Kentucky's agricultural economy, an inventory of related state assets, the Board's investment philosophy and guiding principles, and an initial list of investment priorities for the Board and county councils across the state. The Board's investment philosophy states that the investments from the Agricultural Development Fund will be made in innovative proposals that increase net farm income and effect tobacco farmers, tobacco-impacted communities and agriculture across the state through stimulating markets for Kentucky agricultural products, finding new ways to add value to Kentucky agricultural products, and exploring new opportunities for Kentucky farms and farm products.

The plan describes three investment strategies that will offer guidance for Board and county council action over the next 24 months. The board will seek to build the competitiveness of current agricultural sectors, support the development of new and emerging farm-based opportunities, and develop value-added processing of Kentucky agricultural products.

The Board has established general guidelines for pursuing these strategies, but Governor Patton stressed that the Board will have to retain a high level of flexibility to be able to respond to unanticipated opportunities for agricultural economic development:

"These guidelines will help this Board and our county councils get this effort underway and give people an idea of what we consider to be most important in the short-term. It's important to remember though that we're approving this as a short-term guide, and that our long-term plans could look somewhat different," the Governor said.

The Board will invest up to 30% of its available funds in the development of established agricultural sectors like forage-based production, including beef, dairy, and cash forages. Other priority sectors include horticulture, tobacco, cash grains, swine and poultry, and wood products. The board set aside 20% of funds for investments in new and emerging commodities, 15% for investment in value-added processing, 10% in direct marketing infrastructure, 5% in technical services support and reserved 20% for other projects.

The board will make its application package available the first week of the New Year. The application will be the official method of applying for both state and county monies from the Agricultural Development Fund. The board also adopted a system of making determinations on applications on a quarterly basis. The deadline for the first quarter of the New Year is March 16, 2001, the third Friday of the month. Recommendations made by county councils will be required to be submitted not later than the first day of each month for board approval in its meeting that month.

Applications will be accepted continuously throughout the first three months of 2001. After that, the Board will operate on a quarterly review cycle.

The initial comprehensive plan will be distributed to county councils and made available to the public on the World Wide Web at the Governor's Office of Agricultural Policy web site at www.kyagpolicy.com by December 18.

John-Mark Hack, Executive Director/CEO of the Agricultural Development Fund, also introduced the Board's newest staff member. Gordon Duke, a veteran of state government and business, will assume the position of Chief Operating Officer/Chief Financial Officer on January 1. Duke comes to his new position after serving as Commissioner of the Department of Financial Incentives in the Economic Development Cabinet. He has also served as state budget director three times, Secretary of Finance and Administration twice, and as Governor Wallace Wilkinson's Chief of Staff in the latter period of his administration. Duke has private sector experience, including five years as Executive Vice-President of the Webb Companies and as the head of his own business.

"Gordon Duke brings to this historic effort the strong financial and administrative background we will need to be successful," Governor Patton said. "I'm pleased he is willing to join us."

"We're excited to have someone with the level of expertise and experience that Gordon possesses. He adds a entire new dimension of financial and administrative expertise to our team," said Hack. "The addition of Gordon to our staff shows that the Patton Administration is fully committed to doing all it can to facilitate the success of this agricultural development effort."